



# PLAYING POLITICS

How DMOs have rallied to fight controversial laws that threaten meetings business

By Cheryl-Anne Sturken

**O**n Feb. 3, 2015, an email popped up on the computer screen of Leonard Hoops, president and CEO of Visit Indy, the official destination marketing organization of Indianapolis. The message was from a staff member at the American Civil Liberties Union of Indiana, asking Hoops if his organization had yet taken a formal stand on a bill called the Religious Freedom Restoration Act, which was making its way through Indiana’s state legislature. This simple question proved a bombshell moment that would quickly enmesh the bureau in a fight to

defend its destination’s brand image — and would serve as a textbook example of how DMOs can wield the power of economics to help affect legislation, politics and the public discourse of an entire nation.

The bill, in essence, said the government could not intrude on someone’s religious liberty unless it could prove a compelling reason for doing so. Indiana’s Republican Gov. Mike Pence had already indicated his intention to sign the measure into law.

“It was the first we had heard of it, so we immediately went to work researching what

had been proposed,” says Hoops. What he found was a number of legal experts who claimed the law, as written, could open the door to discrimination against lesbian, gay, bisexual and transgender individuals by allowing any person or corporation to cite the measure as a defense for practices such as withholding services to someone based on a religion-dictated disapproval of his or her perceived lifestyle. These potential ramifications already had begun to stir calls for boycotts on doing business with the state.

“We saw the possibility that it would be seen as something incredibly negative,” Hoops says. “We have no issue protecting religious liberties — we just needed to make sure it couldn’t be done in a discriminatory way.” Three days after receiving the email from the ACLU, Visit Indy announced its opposition to the state’s proposed RFRA law and set a damage-control plan into action.

### A DMO on the frontlines

Visit Indy’s strategy was similar to tactics enacted by other destinations under the threat of boycotts: Create an army and mobilize it. Hoops and his team quickly took to the phones and began reaching out to clients, lawmakers, businesses, community leaders and basically anyone with a stake in Indianapolis’ \$4.4 billion meetings industry. The bureau closed ranks with its tourism partners, including the Indiana Chamber of Commerce, the Indiana Restaurant & Lodging Association, the Indiana Sports Commission and others.

They were armed with big data. Numbers for 2014 showed that the estimated 26 million visitors to Indianapolis had generated some \$1.1 billion in tax receipts and were responsible for sustaining more than 75,000 full-time jobs in the state. “All of a sudden that economic data, which was just so many words on paper, becomes incredibly tangible,” says Hoops. “Suddenly, legislators were keenly aware of how the meetings industry is vital to Indiana,

the overall prosperity of the community and our brand.”

Visit Indy’s efforts were bolstered as a growing list of outside entities put additional pressure on the state government. For example, a fast-growing list of prominent CEOs, including the

heads of Apple, Angie’s List and Eli Lilly, wrote to state officials asking them to ensure that any passed legislation would not sanction or encourage discrimination, under threat of their reduced investment in the capital city

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## DMAI PUTS ADVOCACY ON THE AGENDA

**O**n March 26, 2015, the same day that Indiana Gov. Mike Pence signed into law the controversial Religious Freedom Restoration Act that created a firestorm of protests before it was amended, Washington D.C.-based Destination Marketing Association International ([destinationmarketing.org](http://destinationmarketing.org)) announced its plans to support DMOs with a new, enhanced advocacy toolkit. The timing was purely serendipitous.

DMAI was responding to findings of a leadership survey it had conducted three months earlier of 115 chief executive officers and executive directors of DMOs across the country on the issue of advocacy. The survey revealed that while 86.8 percent of respondents consider it important to develop and execute an advocacy plan that addresses community relations, government relations and/or public policy, 58.4 percent said they did not have such a plan in place.

Given the timeliness of the survey, Michael Gehrisch, president and CEO of DMAI, says advocacy will be placed on the educational front burner for the organization at its upcoming July convention, with a dedicated session addressing the topic. “It will not be a lesson in lobbying,” says Gehrisch. “We will be showcasing successful advocacy examples from DMOs on how they conducted the right research, communicated their findings to legislators, stakeholders and locals, and used that information to create a tourism awareness and benefit campaign. Advocacy is all about proactivity.” ■ C.A.S.



> DMAI’s Michael Gehrisch

## THE TECH WORLD TAKES A STAND

Indiana's passage of the RFRA triggered a swift reaction by Marc Benioff, CEO of Salesforce.com. On March 25, he tweeted: "Today we are canceling all programs that require our customers/employees to travel to Indiana to face discrimination." Benioff also announced plans for "a slow rolling of economic sanctions against

the state of Indiana" and offered relocation packages for employees who wanted to move out of the state because they felt their civil rights might be violated.

Other tech giants quickly joined the cause. By April 2,

more than 70 top executives had signed a joint statement initiated by Max Levchin, CEO of Affirm, calling for the addition of nondiscrimination protections for LGBT people in civil rights laws. Among supporters: Airbnb, Yelp, Twitter, Zillow, Cisco, PayPal, Microsoft, LinkedIn, Intel and Netflix (for the full statement and list of signatories, go to [bit.ly/1xGE6G1](http://bit.ly/1xGE6G1)).

After the controversial measure was amended, Benioff told students in a May 17 commencement speech at U.C. Berkeley that he had never imagined his company would become involved in a civil rights fight, but the experience of helping change Indiana's law underscored anew his long-held conviction that companies "can do more than just make and sell products," reported the *San Francisco Business Times*. "I've learned that companies can be platforms for change. All of us need to realize our role in improving the world."

■ LOREN G. EDELSTEIN



Marc Benioff

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and the state; and several large conventions, including the mega gaming gathering Gen Con, threatened to pull their events from the city.

Despite all the pushback, on Feb. 25 the Indiana Senate approved the proposal, as did the House on March 21. Four days later, Gov. Pence signed the Religious Freedom Restoration Act into law. But, of course, the story was far from over.

### History repeated

The battle waged by Indianapolis is just the latest example of a major convention destination caught in the middle of a political storm. Over the past 15 years, disputes over sexual orientation, civil rights, immigration, environmental issues and reproductive rights have spilled out of the courts and legislative chambers into the public sphere, spawning protests on all sides and travel boycotts from Colorado to Florida.

Boycotts in particular have proven a powerful tool because the financial stakes are enormous. For example, the threat by Gen Con to leave Indianapolis meant the city could have lost an event that in 2014 drew more than 50,000 visitors from around the world, contributing some \$50 million to the local economy.

The political leaders in Indiana and 19 other states that have lately passed religious freedom laws point to the 1993 Federal Religious Freedom Restoration Act, signed by President Bill Clinton, as their inspiration. But critics note that the earlier law came years before same-sex marriage — a hot button behind the current conflicts — became a national legislative issue. The impetus for the 1993 measure was, in part, a case involving the right of Native Americans to use peyote as part of an ages-old religious ritual.

Regardless of the basis for the 1993 federal law, in 1997 the Supreme Court ruled that the act couldn't be applied to individual states, leaving it to each state

to determine its own measures. Supporters of the Indiana law said accusations of discrimination were overblown and that the measure was simply meant to protect religious freedom.

### Other cities, other battles

Perhaps no state has been embroiled in more political/social controversy than Arizona. Phoenix, the state's top meetings destination, lost its Super Bowl hosting duties in 1993 because Arizona refused to recognize Martin Luther King, Jr., Day as an official holiday. In 2010, the state weathered another major political firestorm due to its passage of a controversial immigration law, SB 1070, which among other provisions allowed state law officers to attempt to determine an individual's immigration status when there was "reasonable suspicion" that the person was in the country illegally.

In the face of what many critics deemed racial profiling, the measure was modified within a week of its passing, and other provisions were softened by a U.S. Supreme Court ruling in 2012. But significant damage already had been done. Boycotts resulting from that uproar ultimately cost Arizona at least \$141 million in lost meetings and conventions business, according to a study by the Center for American Progress.

Last year the state dodged another disaster when Republican Gov. Jan Brewer, bowing to pressure on both sides of the aisle as well as a host of businesses, vetoed its own religious freedom law, SB 1062, six days after it was passed.

Steve Moore, president and CEO of the Greater Phoenix Convention & Visitors Bureau, is a veteran of the boycott wars. He says he is constantly battling the perception of Arizona as an intolerant state. "Our role is not to debate the merits or intent of any bill," he says. "Our role is to communicate the financial power of travel. We are the keepers of our destination's brand, and when travel comes under attack,





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we have to strike back immediately.”

William Pate, president and CEO of the Atlanta Convention & Visitors Bureau, says his agency keeps tabs on as many as 20 bills before the Georgia legislature that could potentially have a negative impact on group business. One that's being closely watched is a religious freedom act, SB 129, making Georgia one of 14 states this year considering such a measure.

In March, in a letter to the members of the House Judiciary Committee, the Georgia Association of Convention & Visitors Bureaus warned that the long-term negative impact of the bill, if passed, would be in the hundreds of millions of dollars. “We know of at least \$15 million in convention business that has stated they will cancel their conventions should this bill pass,” the letter read.

Likewise, the Atlanta CVB has been fielding angry letters and calls from clients threatening to withdraw conventions. In a sternly worded letter to Pate, a group of seven organizations with meetings set to take place in Atlanta threatened to take their 35,400 room nights elsewhere. “Rest assured that if our members are not welcome in Georgia's business establishments, we will not return,” the letter concluded.

While it is likely Georgia's bill will be shelved this year, just as it was in 2014, Pate says he and his bureau are not banking on that outcome. They have been proactively reaching out to clients and have joined forces with other hospitality industry groups. “There is no one in the legislature who is in hospitality, so there is no one group represented there that will be financially punished,” notes Pate. “So you have to have a louder voice, a stronger message and some really good relationships in place in order to have a voice at the table.”

### Pushing the power of travel

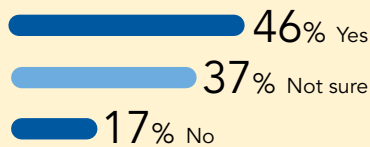
Travel organizations today have evolved from loosely knit associations

into a strong, united advocacy voice for any issue threatening to derail the multibillion-dollar travel and meetings industry. In 2009, the Washington, D.C.-based U.S. Travel Association created a political action committee as part of its goal to be the leading voice of the travel community. In addition, the American Hotel & Lodging Association, which has some 11,000 members, has become a powerful lobbying force on Capitol Hill, spending a total of \$1,404,376 in lobbying efforts at the federal level in 2014.

But for every battle won, another looms, says J. Stephen Perry, president and CEO of the New Orleans Conven-

### WOULD YOU CANCEL?

**M&C** asked meeting professionals, “Would you cancel a meeting if the destination passed a law that many attendees might find offensive?”



For more findings: [bit.ly/1PXBsRe](http://bit.ly/1PXBsRe)

tion & Visitors Bureau. And attention spans run short in the corridors of government. “Politicians really don't understand what the trillion-dollar travel industry is about,” says Perry. “They always underestimate and forget about it, because it is not a widget-producing industry.”

While the media's attention was focused on the political debates over religious freedom acts playing out in Indiana and Arkansas, Perry launched an offensive against Louisiana's state's legislature, which also is considering a state RFRA. He penned a lengthy and passionate statement decrying the measure, and noting that the New Orleans Conventions & Visitors Bureau drives nearly \$7 billion of new capital each

year into state coffers, creating hundreds of millions of dollars in tax revenue. (See *M&C's* coverage of Perry's statement at [bit.ly/1QJXfw7](http://bit.ly/1QJXfw7).)

"This is an election year in New Orleans, and we can't take our foot off the gas pedal," Perry told *M&C*. "This is strictly a political move by our governor, who is running for president and wants to establish credentials with the Republican right. We are in their face every day making sure this thing doesn't go forth." He is confident that the bill will be shelved because the state is in a budget crisis, and any plea to avoid risking potential revenues is certain to get heard.

### Long-term damage control

New Orleans and Atlanta have the hindsight and history of what unfolded in Indiana as a working template. The Hoosier State, however, is still struggling to reduce the damage from its religious freedom imbroglio. Once Gov. Pence signed the RFRA into law on March 26, the storm of criticism of the measure reached full gale, including demands for the following week's NCAA Final Four games to be moved from Indianapolis. Even the city's Mayor Greg Ballard, a Republican, denounced the law. On March 31, Gov. Pence called for a "fix" to the law within days to clarify its nondiscriminatory intent, which the state legislature produced on April 2.

Shortly thereafter, Visit Indy ran the image of a rainbow flag, a symbol of gay rights, prominently on its website.

On April 14, Indiana's tourism agencies pooled \$2 million to hire global public relations firm Porter Novelli to help rebuild its tarnished image. "Now more than ever we want to remind the world the Hoosiers welcome everyone," Victor Smith, Indiana Secretary of Commerce, said in a statement.

While Indianapolis ultimately did not lose any of the 700 groups on its books for 2015, the RFRA conflict tarnished the image of the city and its

state. "My job is infinitely harder now," says Leonard Hoops. "It's still too early to tell just how much damage we mitigated, and how much will get through regardless."

Steve Moore in Phoenix, however, is confident that Visit Indy weathered the controversy with its reputation in bet-

ter shape than some other destinations that have faced similar circumstances. "My hat is off to Leonard," he says. "The welcoming message he was able to convey in minutes with that rainbow flag on the bureau's site was a social media affirmation that his destination is open to everyone for business." ■

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